



**PRU LIFE U.K.**

**175 YEARS**

*Celebrating Life*



# Creating a Better Future for all Filipinos, Together with You

Pru Life UK Supplementary Material  
to the 2022 Prudential plc ESG Report



## About Pru Life UK

Pru Life UK is the wholly owned life insurance subsidiary of Prudential plc in the Philippines. Established in 1996, Pru Life UK is the pioneer of insuravest, or investment-linked life insurance products in the Philippines and is one of the first life insurance companies approved to distribute US dollar-denominated investment-linked life insurance policies in the country.

Since its establishment, Pru Life UK's reach expanded to 167 branches and 116 General Agencies (GAs) nationwide, having the biggest life agency force of over 39,000 licensed agents and more than 1.4 million lives insured in 2022. It has also diversified its product portfolio to address the needs of various market segments, to include affordable and accessible products for the mass market.

In 2022, Pru Life UK earned the second-highest premium income of PhP41.5 billion in the life insurance industry. The company also held the number two position in terms of New Business Annual Premium Equivalent (NBAPE) ranking of the Philippine Insurance Commission (IC) at PhP9.46 billion. NBAPE is a global standard in assessing the yearly business performance of a life insurance company and is calculated by adding the value of regular premiums from products sold in a given year and 10% of single premiums written in the same period.

In the 2022 ASEAN Corporate Governance Scorecard (ACGS), which covered 2021 operations, Pru Life UK received a score of 113.32. From 2015 to 2021, Pru Life UK consistently received high ranking among the IC-regulated companies in the ACGS. The ACGS is a general scorecard that allows companies to appraise and measure their corporate governance practices against international standards. The consistent top ranking of Pru Life UK in ACGS continued to reflect the company's high standards in corporate governance, compliance and risk management – important in keeping the trust placed in the company by its stakeholders and ensures financial security of its customers.

Pru Life UK Investments, registered as Pru Life UK Asset Management and Trust Corporation, is a wholly-owned a subsidiary of Pru Life UK. Pru Life UK Investments is one of the first non-bank trust companies in the country.

As of 31 December 2022, the Board of Directors and the Management Committee of Pru Life UK were composed of the following persons.

### **Board of Directors**

1. Imelda Tiongson - Chairperson
2. Eng Teng Wong - Executive Board Member
3. Solmaz Altin - Non-executive Board Member
4. Wen Chen - Non-executive Board Member
5. Angelica H. Lavares - Independent Board Member
6. Marife B. Zamora - Independent Board Member
7. Maria Cristina R. Opinion - Independent Board Member

### **Executive Committee**

1. Eng Teng Wong - President and Chief Executive Officer
2. Gilbert O. Simpao - General Manager and Chief Commercial Officer
3. Maria Divina H. Furagganan - Executive Vice President and Chief Distribution Officer
4. Michael R. Mabalay - Executive Vice President and Chief Transformation Officer
5. Francis P. Ortega - Executive Vice President and Chief Financial Officer
6. Allan John M. Tumbaga - Executive Vice President & Chief Customer and Marketing Officer
7. Rey Antonio M. Revoltar - Senior Vice President and Chief Human Resources Officer
8. Ma. Emeren V. Vallente - Senior Vice President and Chief ESG, Legal and Government Relations Officer
9. Rina Isabel A. Velasquez - Senior Vice President and Chief Risk Officer

## Prudential's ESG Implementation in the Philippines

The local business units of Prudential plc. such as Pru Life UK and Pru Life UK Investments in the Philippines directly support the implementation of Prudential's overall ESG strategy, including climate change risks and opportunities.

The ESG implementation of Prudential is guided by its ESG Strategic Framework that was launched in 2020.



*The Prudential ESG Framework, featuring the three pillars and the strategic enablers*

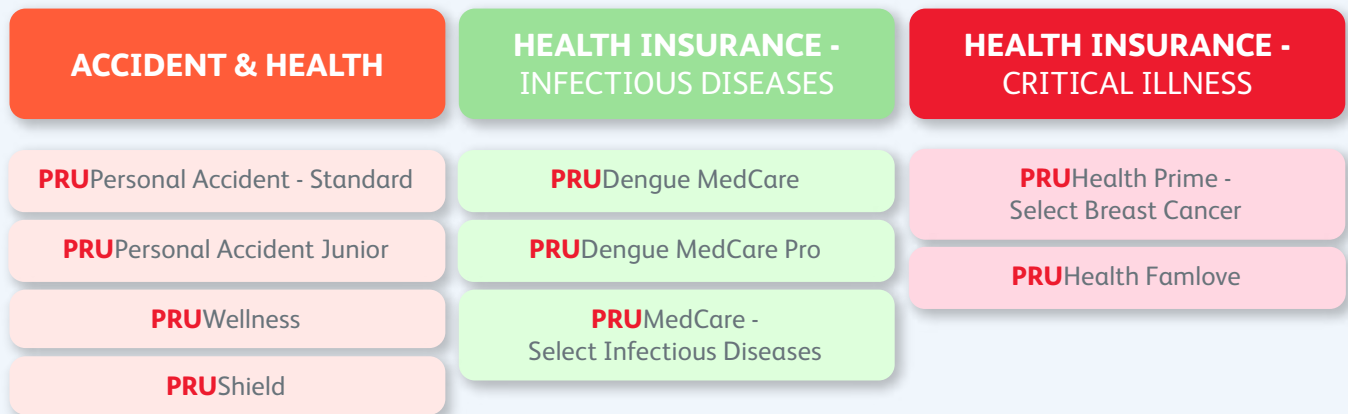
The Framework outlines Prudential's role in achieving the corporate purpose of helping people get the most out of life by making healthcare affordable and accessible and by promoting financial inclusion. It focuses on ways to make positive, meaningful, and lasting impact to people on the three areas that are relevant to the business, namely:

- **Making health and financial security accessible.** The aim is to close the health, protection, and savings gaps. To achieve this, the focus is on four areas, namely: digital innovation, where it makes healthcare services and financial management tools readily available; inclusive offerings, where it develops more inclusive products and services for underserved segments of society, including products suitable for a wider range of income groups such as through 'bite-sized' insurance products; meeting the changing needs of its customers and ensuring they have the best access to products through a multi-channel and integrated distribution approach; and promoting financial literacy so that people gain knowledge of financial management and have a deeper understanding of protection benefits.
- **Stewarding the human impacts of climate change.** Prudential is committed to proactively play its part in enabling the transition to a low-carbon economy by decarbonizing its investment portfolio and own operations and working towards sustainable development and energy transition through collaborative and collective engagement.
- **Building social capital.** Prudential builds social capital by building trusted relationships with its employees where diversity of thinking, skills, identity, and experience is celebrated and inclusion assured for its people and by safeguarding the public's trust in the company through a rigorous approach to digital responsibility.

## By the Numbers: 2022 ESG Milestones

### *Making health and financial security accessible*

Pru Life UK's ESG-focused products contribute to increase access to health and protection or wealth to underserved population like women, elderly, and low-income families:



118,098 lives protected by these ESG-focused products

### *Stewarding the human impacts of climate change*

- Energy usage down by **15.94%** to 2,511.39 MWh from 2,987.65 MWh in 2021
- Water consumption decreased by **0.74%** to 35,733.73 m<sup>3</sup> from 35,999 m<sup>3</sup> in 2021
- Office space reduced by **4.13%** to 29,187.78 sq.m from 30,444.82 sq.m

### *Engaging and empowering our people and communities*

- 50% women in Pru Life UK Board and Senior Leadership
- 646,414 Filipino children trained through Cha-Ching school curriculum (cumulative reach)

## Philippine Highlights in the 2022 Prudential plc ESG Report and other ESG-focused Initiatives Launched

In March 2023, Prudential published its 2022 ESG Report, which documented the progress of its ESG implementation against each of the pillars and enablers in the ESG Framework across its operations globally, including the Philippines. Pru Life UK and Pru Life UK Investments, as covered operations, directly contributed to the report, providing country financial data and non-financial information. The following case studies were the Philippine highlights in the report.

### **Strategic Pillar: Making health and financial security accessible**

Developing inclusive products was critical in achieving Prudential's goal of making health and financial protection products more accessible.

*The report highlighted Pru Life UK's launch of **PRUHealth FamLove**, a life protection plan that included critical illness cover for up to four family members in one policy, a first-of-its-kind product in the market. This was made available to all Filipino families, including same-sex or common-law partners, parents, and adoptive families. Costs including long-term medication and care can be covered by the plan's critical illness benefits through the System and Organ Function Insurance (SOFI) concept. This was a unique product feature in the market, as it provided coverage in case of major organ surgery, without the need to consult a long list of critical illnesses for which cover is provided.*



*PRUHealth FamLove came in different packages, with the option to choose how many family members will be covered from one (self) to three – mySelf, myPartner, myChild, myFamily, myParent – depending on the family's protection needs.*

*To further expand reach, PRUHealth FamLove was offered through one of Pru Life UK's bancassurance partners, Robinsons Bank.*

Across its global operations, Prudential also developed inclusive products to women who are considered vulnerable to a range of gender-specific health conditions and associated medical expenses. One example cited in the report was Pru Life UK's **PRUHealth Prime - Select Breast Cancer**, the first breast cancer-specific life insurance product in the country designed to promote women's health protection and aid early interventions. The product can be purchased digitally on Pulse, Pru Life UK's health and wealth mobile app, and comes in two versions with premiums starting at PhP150 (USD2.86).

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Pru Life UK was also cited for its efforts to address the impacts of climate change on the spread of malaria and dengue, two of the most common vector-borne diseases in the world, by its launch of the dengue product variants PRU Dengue MedCare and PRU Dengue MedCare Pro. These were made even accessible to more Filipino families through a partnership with the e-commerce platform Shopee. The products can be purchased via Shopee e-vouchers, which are redeemable in Pulse, to provide coverage for the cost of getting the infectious disease, and in the event of death. The PRUDengue MedCare offerings cost between PhP175 (USD3.16) and PhP750 (USD13.54).

To make financial security more accessible to the public, Pru Life UK also made available in Pulse other bite-sized offerings such as the Personal Accident product. Registered Pulse users were granted a limited-time offer of a free one-year Personal Accident coverage to provide them with an accidental death and disablement or dismemberment benefit in case of death due to natural causes. Additional standard packages for Pru Life UK's PRUPersonal Accident product were later offered in Pulse.

Pru Life UK provided more opportunities to cover the younger generation too. It partnered with mobile wallet provider GCash as another platform to offer PRUPersonal Accident Junior, a renewable accident plan for kids.



Prudential's advocacy on financial literacy supports its goal of making health and financial security accessible to its valued stakeholders. This advocacy is demonstrated locally by the Pru Life UK Online Professional Certification Training Program on Financial Literacy or PRU eFinLit, which seeks to address the competency development of the Filipino public in financial literacy by introducing a free online course for teachers and other professionals. Since its launch in June 2021, the program has expanded its reach to government agency Metro Manila Development Authority (MMDA), onboarding about 133 of its frontline staff.

Another program for the underserved is the community-based financial education training titled "Wais sa Pera si Juana" (Juana is Wise with Money). It was launched in 2022 in collaboration with non-government organization Asia Society for Social Improvement and Sustainable Transformation (ASSIST). The program has reached some 284 solo parents in Tondo, Manila and 538 families from Pru Life UK's adopted communities in Bantayan Island in Cebu.



The report also showcased another Silver Stevie win of Pru Life UK in 2022 under the Communications or PR Campaign of the Year for Corporate Responsibility Category for its Cha-Ching financial literacy program, designed to teach money-smart values to children aged 7-12 years old.

### **Strategic Pillar: Stewarding the Human Impacts of Climate Change**

As part of its commitment to safeguarding the environment, Pru Life UK adhered to its ESG pillar on stewarding the human impacts of climate change.

*In this area, the report featured the company's webisode series thought leadership initiative on climate health risk entitled "**Pru Life UK Healthscape Webisodes: The Big Change**". Released in December 2022, the series discussed how financial security can be a climate adaptation measure. The webisodes brought together thought leaders from healthcare, insurance, and the government, and were designed to further raise awareness and educate the public about climate health risks and their impact on financial security.*

*In addition to the webisodes, Pru Life UK also held a media roundtable table on the topic of climate health risks and financial security in September 2022. Pru Life UK President and CEO Eng Teng Wong also wrote an Op-Ed entitled "Time to consider climate-smart insurance" in leading broadsheet Philippine Daily Inquirer on 27 June 2022.*



*The webisodes, media roundtable, and the Op-Ed were designed to further strengthen the company's advocacy on the topic that was started by the release of its commissioned independent study entitled "How will climate change affect the health of Filipinos in the next decade?" in November 2021. A first in the Philippine insurance industry, the study highlights that no disease group is immune to the effects of climate change and warns that cases of certain diseases will increase due to global warming. The finding makes a strong case for financial security and insurance protection to be recognized as climate adaptation measures.*





Pru Life UK also organized a knowledge-sharing session with the Insurance Commission on climate health risks, risk management, and financial inclusion on 10 November 2022. Consulting firm Microinsurance Centre at Milliman (MIC@M) took part in the session.



Pru Life UK earned recognitions for its pioneering advocacy on climate health. Its entry on climate health risk advocacy and product initiatives was selected as one of the 3 finalists under the Green and Inclusive Finance Solutions category of the 2022 Europa Awards of the European Chamber of Commerce of the Philippines (ECCP). The company also received a Silver Stevie Award for Achievement in Thought Leadership for initiating discourse on the impact of climate change on health and financial security through its commissioned study on climate change.



*Pru Life UK actively sought to manage and reduce its operational impact on the environment. In 2022, it opened its first PRUHouse, a dynamic and agile workspace fit to the different workstyles of its agency force. This was awarded the Flexible Workspace Initiative of the Year - Philippines in the Real Estate Asia Awards 2022 by the company The Instant Group. The inaugural PRUHouse, which can accommodate 22 agency branches, is also used as an events place, allowing Pru Life UK to showcase the workspace to its partners and communities.*

The company also continued to implement initiatives designed to improve operational efficiency. Among these were programs that reduced water and electricity usage, office footprint, and office supplies due to the decreased onsite reporting of employees. These programs were supplemented with the reassignment and sale of usable office furniture, clean-up of defective furniture and equipment, deployment of centralized recycling bins in all office locations, scheduled replacement of lighting fixtures to LED, and reduction of company vehicle use.

## Other Pru Life UK Programs and Initiatives

In addition to those initiatives featured in the Prudential report, Pru Life UK launched other notable ESG-focused initiatives. These covered government engagements, community investment and employee programs, and financial literacy and education initiatives.

In 2022, Pru Life UK commissioned law firm Romulo Mabanta Buenaventura Sayoc & de los Angeles to write an independent policy paper titled “Driving Broader Insurance Access through InsurTech,” which discussed alternative digital insurance distribution channels aimed at reviewing the present regulatory framework for insurance technology in terms of policyholder protection, and how regulation can promote insurance penetration by allowing new modes of insurance intermediation and distribution; redefining the insurance agent/broker; and expanding the types of insurance products covered. The paper was launched at the INDX.20 Summit of the Fintech Alliance Philippines in November 2022.



Another leading law firm, Quisumbing Torres, an affiliate of Baker McKenzie, was also commissioned by Pru Life UK to write an independent policy paper on life insurance inclusion of overseas Filipino workers (OFWs) or Filipino migrant workers. The paper sought for the review of the present regulatory framework that prohibits insurance companies from issuing life insurance to Filipinos who are based overseas at the time of the conclusion of transaction. The paper was released in December 2022 via a press event.

Pru Life UK also worked with Prudential to partner with the EU-ASEAN Business Council and the Canada-ASEAN Business Council for the first insurance working group virtual workshop on improving insurance coverage for overseas Filipino workers with Philippine regulators on 19 October. The workshop looked at how the insurance community can assist in providing overseas Filipino workers with improved insurance coverage, working closely with regulators and agencies in the Philippines. The workshop was attended by senior officials from the Insurance Commission, Bangko Sentral ng Pilipinas, Department of Migrant Workers, Overseas Workers Welfare Administration and the Department of ICT.

Pru Life UK also co-organized with the European Chamber of Commerce of the Philippines (ECCP) a three-part webinar series on social safety net for vulnerable populations entitled "Mobilizing Safety Nets for the Vulnerable Populations." The series ran from April to June, covering discussions on social safety nets for OFWs, women and retirees. Top officials from various government agencies and the private sector joined the discussions.

Pru Life UK became the first "Insurance Corporate Partner" of the ECCP in 2022. The upgraded partnership is aimed at working more closely with the foreign chamber in advocating for greater insurance inclusion. The company also joined Fintech Alliance Philippines as corporate member in 2022 to advocate for wider technology adoption for insurance inclusion.

To develop and maintain valuable relations with the government, Pru Life UK also provided capacity building and technical support to the Insurance Commission on priority policy initiatives such as Takaful, digital insurance sales reporting, ESG and IFRS 17.



In addition, the company also participated in the mapping exercise of the National Economic Development Authority (NEDA), the government's socio-economic planning body, of sustainability activities implemented by private companies through the ECCP. The ECCP is part of NEDA's Stakeholder Chamber on Sustainable Development Goals (SDGs).

Pru Life UK remained committed to offering engaging and focused financial education and inclusion programs for its customers, agency force, and the public. This was demonstrated through the continuation of PRUWise Webinars, a series of virtual multi-themed talks on health and financial well-being that was started in 2020. In 2022, more than 7,000 participants from all over the country were reached by the 14 webinars conducted that focused on personal finance, investments, retirement, money parenting, and understanding market volatilities.

Through Pru Life UK's health and wealth app Pulse, several new features were made available to provide financial literacy and financial management tools for its registered users. These included a new suite of action-based features under Wealth@Pulse to assist in the health and wellness journey of the customers. These were My Budget, My Goals, and My Assets. Lifestyle-based financial and investment content were also made available through the Wealth Channel and Daily Financial Bytes on Wealth@Pulse.



Social media was leveraged in Pulse to create fun and engaging financial literacy content. This was made possible through the launch of WEALTHtok as part of the WEALTHertainment Campaign of the app. It engaged several influencers called PRU WEALTHfluencers on various key social media platforms.

The monthly Market Pulse e-Bulletin for Pru Life UK policyholders and agents was also launched in 2022. The e-bulletin contained the latest materials (infographics, videographs, and reports) on market, economic and investment updates and fund performance.

### Strategic Pillar: Building Social Capital

Pru Life UK has continued to build social capital by building trusted relationships with its employees, customers, and valued stakeholders.

Employees' safety, health, and wellness remained a priority for the company as the COVID-19 pandemic persisted in 2022. A total of 707 employees and 893 of their dependents were fully and partially inoculated with COVID-19 vaccines and booster shots, providing preventive measures against the spread of the virus across its offices, branches, and business centers nationwide.

Flexible work arrangements also continued last year. To promote work-life blend among employees, Pru Life UK launched a localized hybrid work playbook to tailor fit the work arrangement guidelines and enablement efforts to the needs of Pru Life UK employees. This was supplemented by an internet subsidy worth PhP1,500 net (USD30) to all employees from staff to AVP level to boost productivity while working from home.



To provide an inclusive work environment and foster a culture that promotes Diversity & Inclusion (D&I) in the workplace, seven PRUCommunities were launched to encourage employees to connect with colleagues with similar interests. Examples were the ESG PRUHeroes and Greenvestors communities which showcased the ESG initiatives of Pru Life UK and provided relevant educational resources to its employees.

In addition, the D&I awareness campaign for employees for this year included a three-part D&I brown bag series and global inclusion course initiatives.

Another highlight for D&I was the inclusion of employees' domestic partners as qualified Health Maintenance Organization (HMO) dependents under the company's benefit program PRU+YOU Flexiben. In addition, the group life insurance benefit for employees allowed the enrollment of domestic partners, whether of opposite gender or same gender, as dependents.

### **Women in leadership**

*In 2022, Pru Life UK saw the appointment of more women leaders to its Board of Directors. Five of the seven directors were women, including the Chairperson, reflecting Pru Life UK's commitment to diversity.*

### **Strategic Enabler: Community engagement and investment**

In 2022, Pru Life UK expanded the reach of its community engagement and investment programs on financial and digital literacy.

One of these programs was the PRU AI Explorer, which championed Digital Literacy and Competitiveness among underserved Filipino youth in partnership with JA Philippines and Microsoft Philippines. A thousand Senior High School students have completed the Data Analytics Course with Microsoft Certification, which complemented the Science, Technology, Engineering, and Math (STEM) education in the country. The pioneer batch was composed of students from the cities of Manila and Cabanatuan, the provinces of Negros Occidental, and the Bicol Region.

Digital Literacy and Competence among Filipino scholars was also advocated by Pru Life UK through the continued co-funding of the Chevening Scholarship Program with British Embassy Manila, with its first scholarship on MSc Health Data Science awarded in 2022. This partnership has enabled Filipino scholars to study in the UK in the hopes of developing global leaders.



A partnership with the Metropolitan Manila Development Authority (MMDA) was renewed to make the roads safer and better for Filipinos through the SAFE STEPS Program. Pru Life UK entered its fifth year in providing free Group Personal Accident (PA) insurance coverage with accidental death and disablement benefit and burial assistance to about 8,000 MMDA employees. From 2017 to 2022, 91 beneficiaries of the government agency's insured employees received assistance from Pru Life UK under this partnership.

Face-to-face and virtual PRUVolunteer efforts were held, enlisting over 300 employees-volunteers. This was also made possible through the digitized PRUBayanihan - MyHR digital platform for timelier and more efficient collection of employee donations in times of calamity or emergency.